

Dear Clients,

I found this on Money Sense and thought I was a very good article to send out for the June mail out. It is rather long, but very interesting.

Things are looking brighter for Calgary homeowners. After a few years of weathering low oil and resource prices, the province is started to crawl out of its economic slump and people are getting back to work. In Calgary, the real estate market isn't looking quite as bleak.

Only a fifth of the city's neighborhoods reported a one-year price decrease last year — this was good news given that the year before 25% of the Calgary's communities reported average price drops. Like before, the hardest hit neighborhoods are the more expensive communities. The only exception was the Erlton community, which experienced a 31% drop in property values, primarily due to a many properties being severely damaged by the recent flooding.

As predicted, the worst seems to be over for Calgary. More than 90% of realtors surveyed this year felt that housing prices would either level off (44%) or continue to rise (48%).

Only 12% of realtors surveyed reported working with investors — people just looking for an income property that could be rented out. The vast majority of residential agents are working with buyers looking for a home to live in and a community to settle in, yet, quite surprisingly, 36% of these agents said that their buyers were settling for a place that they'd quickly outgrow in three to five years.

This goes against what we typically suggest at *MoneySense*, which is to buy and hold real estate as a long-term investment. For buyers in this 2018 market, we think it's only prudent to use all the tools available to them. And that's where we can help. We've divided Calgary's neighborhoods up into three categories: the core includes all the urban downtown communities, the inner suburbs are all the older, commuter neighborhoods and the outer suburbs are the communities typically 45 minutes or more from the city centre. By using these three lists — or comparing all communities in the overall Where to Buy Now 2018 Calgary ranking — home buyers can make better-informed decisions.

Each list is based on our proprietary analysis, where we identify neighborhoods that have experienced better price momentum and exhibit profit potential. If you're in the market to buy a home in Calgary, consider our top-ranked neighborhoods — communities that will weather the current economic storm and come out ahead in the long run.



Top 25 neighborhoods

Rank	Neighbourhood	Area	Average home price (2017)	Value	Momentum	Realtor Grade
1	Kingsland	Southwest	\$522,587	74%	79%	★★★½
2	Bowness	Northwest	\$510,417	65%	88%	★★★
3	Evanston	Northwest	\$512,851	64%	75%	★★★½
4	Greenview	Northwest	\$424,855	85%	69%	★★½
5	Acadia	Southeast	\$456,662	69%	69%	★★★
6	Nolan Hill	Northwest	\$543,689	54%	85%	★★★
7	Fairview	Southeast	\$432,502	78%	60%	★★★
8	Highland Park	Northwest	\$530,707	57%	81%	★★★
9	Highwood	Northwest	\$567,709	45%	93%	★★★
10	Riverbend	Southeast	\$446,035	73%	62%	★★★
11	Silver Springs	Northwest	\$549,338	53%	71%	★★★½
12	Woodbine	Southwest	\$513,018	78%	58%	★★★
13	Windsor Park	Southwest	\$829,886	21%	99%	★★★½
14	New Brighton	Southeast	\$452,327	71%	42%	★★★★
15	Huntington Hills	Northwest	\$407,123	87%	48%	★★★
16	Falconridge	Northeast	\$316,940	85%	59%	★★½
17	Deer Run	Southeast	\$490,206	61%	80%	★★★
18	Haysboro	Southwest	\$489,909	81%	51%	★★★
19	Queensland	Southeast	\$394,681	87%	54%	★★½
20	Cranston	Southeast	\$551,822	43%	69%	★★★★
21	MacEwan Glen	Northwest	\$443,956	81%	51%	★★★
22	Copperfield	Southeast	\$437,400	76%	44%	★★★½
23	Castleridge	Northeast	\$338,438	77%	64%	★★½
24	Westgate	Southwest	\$585,928	60%	57%	★★★½
25	Auburn Bay	Southeast	\$570,576	37%	70%	★★★★

What made the top five neighborhoods stand out?

This year, the top 5 neighborhoods all had average home prices well under the city average of \$610,430.



1. Kingsland (SW)

The No. 1 neighborhood this year offers buyers great value. Why? Because average home prices in Kingsland are about \$90,000 to \$100,000 cheaper than the average home price for all of Calgary. What can buyers expect? Homes near the average are

typically bungalows or raised bungalows with great bones and the option to renovate and create open-concept space.

For families and commuters, the neighborhood is a great option. It's centrally located — just a 15-minute drive to downtown — and offers relatively easy access to two light-rail transit stations.

2. Bowness (NW)

The No. 2 spot this year was snapped up by Bowness, a northwest community that gives car commuters easy access to Highway 1 (which turns into 16th Ave) and Sarcee Trail. What helped push this community up in the rank this year was its steady growth. Over the last half decade, prices in this neighborhood have appreciated 32%, yet homes are still about \$100,000 less than the average cost of a home in Greater Calgary and \$75,000 less than the average price of a home in this Northwest quadrant. In a city, where residents really understand the value of a dollar these savings are significant.

Better still is the 'hood love. Over and over again this neighborhood ranks high on various local community-engagement lists and this is only supported by the number of I Heart Bowness bumper stickers seen on the roads and highways around the city. A big source of pride for this community is Bowness Park, which offers everything from hiking to biking to firepits and BBQs, wading pools, a lagoon and great paddling.

3. Evanston (NW)

This year's No. 3 spot is taken by an outer suburban neighborhood known as Evanston. This neighborhood rose in the ranks because buyers can secure a detached house for about 90% less than in other parts of the northwest quadrant. To put that in perspective, the average house price in Evanston is about \$100,000 cheaper than the city's average price for a single-family home.

For the last couple of years, the neighborhood's price momentum slowed but local realtors think that has more to do with the "new factor" starting to fade. As one Calgary's newer neighborhoods (it was established in 2003), Evanston's population really started to grow in 2010. That's when young families started to buying into the community and settling into commuter life. Now, 27% of the neighborhood's population is under the age of 14 (according to 2014 census figures).

Drive through the community on the weekend and you'll see families enjoying their front and back yards, BBQs in the park and loads of dog walkers enjoying the neighborhood's green space. In fact, the community was built with neighborhood interaction in mind, with most homes boasting front verandahs (to encourage neighbor interaction) and a distinct lack of fences throughout the community.



Commuters need to be mindful: There isn't a lot of public transit in this neighborhood, so commuting by car is the only real option. This also means things can get quite congested around Symons Valley Road, as this is the only access point into the community.

4. Greenview (NW)

The No. 4 neighborhood made it high on this year's list because of how much value it offers home buyers. Average house prices were just below \$425,000 in 2017 — 73% of the average price in the northwest area.

As a northeast neighborhood, Greenview was first developed as a commercial and light industrial district but, as the City of Calgary grew, residential homes and apartments started to crop up along its western edge. As a result, this neighborhood has been slower to develop its community sense. Still, with homes significantly cheaper in this community, buyers have started to take notice. Property values in the community increased 10% last year — pretty great considering the five-year price growth for the neighborhood is 17%.

5. Acadia (SE)

If you dream of streets lined with mature trees and charming family-friendly homes then you will love the No. 5 neighborhood in our ranking.

Bordered by major streets — Macleod Trail on the west, Blackfoot Trail on the east, Southland Drive to the south and Heritage Drive to the north — the Acadia neighborhood is adjacent to the Southeast's busiest commercial zones. Despite being so close to commercial traffic, the community of Acadia is, itself, quiet and calm. As a result, the community attracts families as well as investors (there's a 50/50 mix of owned and rented dwellings). Single-family homes sell, on average, for about \$522,000, which is almost \$100,000 less than the city average.

One of the big selling features for this neighborhood, aside from its great access to recreational facilities and stores, is the number of schools located in this area. In fact, the neighborhood ranks second in the city for the highest number of schools, according to information collected by the Calgary Board of Education, behind only one other neighborhood, Huntington Hills.

Realtors Top Pick: Aspen Woods

While Aspen Woods was No. 104 in our ranking, it's No. 1 with Calgary realtors. As an affluent neighborhood, Aspen Woods is located in Calgary's southwest quadrant and homes in this area sell for \$1-million or more. So why would agents be so hot for this area? The cynic might say to get a bigger commission but a close look at the current market dynamics yields a different answer. Look at the numbers and you begin to see that home prices are falling in this area, making it the ideal time to snap up a home in a



“premiere residential destination,” as Mark Anthony Sadiua, a realtor with Re/Max Real Estate Mountain View, describes the community.

In 2017, property values in this area dropped by 5%, meaning the average cost of a home in Aspen Woods dropped from \$1,078,700 in 2016 to \$1,022,000 in 2017. What’s more surprising is that property values in this area have been on the decline for the last three years (but price appreciation over the last five years was still 16%).

That means if you are in the market for a million-dollar home this might be the right time to buy into Aspen Woods. Most homes in this community are larger “executive homes” that are 3,000 square feet or larger. The neighborhood gives commuters quick and easy access to downtown, just 15 minutes away. But residents of Aspen Woods don’t have to travel far for amenities. At the centre of this community is Aspen Landing, which offers popular retail stores, restaurants and coffee shops (plus a large waterfall that flows into a small lake).

We ranked the best neighborhoods in two major regions — core/inner suburbs and outer. The core is the city’s urban centre, with accessible transit and easy access to amenities. The inner suburbs are for people who don’t mind trading a longer commute for better parking and a bigger lot size. And the outer region is for buyers who either don’t need to commute downtown at all, or are willing to log some serious travel time in exchange for affordable prices and wide open spaces. (<http://www.moneysense.ca/spend/real-estate/where-to-buy-canadian-real-estate-2018/>)

If you are looking to purchase or own in these areas, I encourage you to speak with your realtor if you have any questions.

Have a great June and Stampede and I will send the next mail out after everyone has recovered from Stampede festivities.

As always, please do not hesitate to ask me any questions via email, text or phone.

